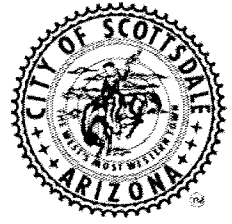


# CITY COUNCIL REPORT



Meeting Date: Tuesday, May 17, 2011  
 General Plan Element: ***Neighborhoods***  
 General Plan Goal: ***Enhance and protect neighborhoods***

## ACTION

Authorize contracts for Screening and Treatment Services for City Court.

Adopt Resolution # 8671 authorizing professional services contracts numbers 2011-047-COS for SAGE Counseling, Inc. and 2011-048-COS for Scottsdale Treatment Institute, PLC, to provide screening and treatment services for defendants in the Scottsdale City Court.

## BACKGROUND

Since the approval of the professional service contracts for court counseling services with Justice Services Holdings, LLC and Advanced Counseling Center, LLC, these 2 counseling providers have merged and are now a single provider named Justice Services Holdings, LLC. The Court believes that it is in the best interests of defendants ordered into counseling that there be more than 1 provider of counseling services, giving defendants a wide selection from which to choose. As a consequence of this merger, the Court is recommending a contract with the top 3 providers who submitted proposals to the Court's RFP process. It is therefore recommended that the City enter into additional contracts with SAGE Counseling, Inc. and Scottsdale Treatment Institute, PLC.

The Arizona Revised Statutes (ARS) require defendants who have committed specific offenses to receive mandatory screening and treatment services. The primary offenses that require screening and treatment services include but are not limited to Driving Under the Influence (DUI) and Domestic Violence (DV). The screening and treatment services are provided through agencies licensed by the Arizona Department of Health Services.

## ANALYSIS & ASSESSMENT

### Recent Staff Action

The Court ordered 2,277 intakes/screenings and 1,810 treatment referrals from January through June 2010. The average number of intakes/screenings per month is 380 and the average number of treatment referrals per month is 302. These numbers were utilized to determine the number of professional service contracts needed.

### Policy Implications

## **City Council Report**

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In that the screening and treatment services have been an established process at the City Court, there are no expected policy implications.

### **Significant Issues to be Addressed**

None.

## **RESOURCE IMPACTS**

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### **Available funding**

The defendant pays for the screening and treatment services. There is no cost to the Court or City.

### **Staffing, Workload Impact**

The workload impact to court staff includes the processing and monitoring the court orders. These tasks are regularly and normally assigned to existing court staff.

### **Future Budget Implications**

None

### **Cost Recovery Options**

Not Applicable.

## **OPTIONS & STAFF RECOMMENDATION**

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### **Recommended Approach**

Adopt Resolution # 8671 authorizing professional services contracts numbers 2011-047-COS for SAGE Counseling, Inc. and 2011-048-COS for Scottsdale Treatment Institute, PLC, to provide screening and treatment services for defendants in the Scottsdale City Court.

### **Proposed Next Steps**

Upon the adoption of Resolution # 8671 authorizing professional service contracts, the City Court will proceed with and complete the contract process and documents and implement the contracts effective June 1, 2011.

## **RESPONSIBLE DEPARTMENT(S)**

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City Court

## **STAFF CONTACTS (S)**

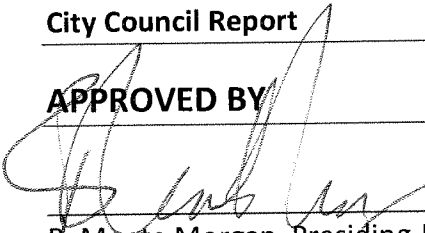
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Janet G. Cornell, Court Administrator, 480-312-2775, jcornell@scottsdaleaz.gov

**City Council Report**

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**APPROVED BY**

  
B. Monte Morgan, Presiding Judge

4-27-11  
Date

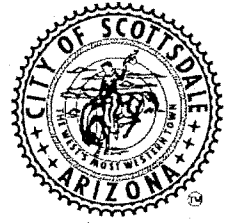
480-312-2772, c/o jcornell@scottsdaleaz.gov

**ATTACHMENTS**

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1. Resolution # 8671
2. Contract #2011-047-COS
3. Contract #2011-048-COS

# CITY COUNCIL REPORT



Meeting Date: Tuesday, May 17, 2011  
General Plan Element: **Neighborhoods**  
General Plan Goal: **Enhance and protect neighborhoods**

## ACTION

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Authorize contracts for Screening and Treatment Services for City Court.

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## ANALYSIS & ASSESSMENT

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### Policy Implications

## **City Council Report**

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In that the screening and treatment services have been an established process at the City Court, there are no expected policy implications.

### **Significant Issues to be Addressed**

None.

## **RESOURCE IMPACTS**

---

### **Available funding**

The defendant pays for the screening and treatment services. There is no cost to the Court or City.

### **Staffing, Workload Impact**

The workload impact to court staff includes the processing and monitoring the court orders. These tasks are regularly and normally assigned to existing court staff.

### **Future Budget Implications**

None

### **Cost Recovery Options**

Not Applicable.

## **OPTIONS & STAFF RECOMMENDATION**

---

### **Recommended Approach**

Adopt Resolution # 8671 authorizing professional services contracts numbers 2011-047-COS for SAGE Counseling, Inc. and 2011-048-COS for Scottsdale Treatment Institute, PLC, to provide screening and treatment services for defendants in the Scottsdale City Court.

### **Proposed Next Steps**

Upon the adoption of Resolution # 8671 authorizing professional service contracts, the City Court will proceed with and complete the contract process and documents and implement the contracts effective June 1, 2011.

## **RESPONSIBLE DEPARTMENT(S)**

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City Court

## **STAFF CONTACTS (S)**

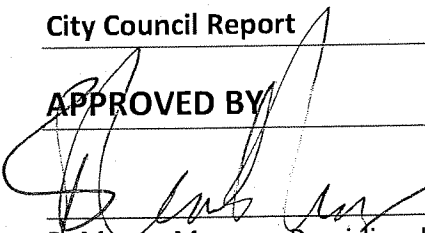
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Janet G. Cornell, Court Administrator, 480-312-2775, jcornell@scottsdaleaz.gov

City Council Report

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APPROVED BY

  
B. Monte Morgan, Presiding Judge

4-27-11  
Date

480-312-2772, c/o jcornell@scottsdaleaz.gov

ATTACHMENTS

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1. Resolution # 8671
2. Contract #2011-047-COS
3. Contract #2011-048-COS

RESOLUTION NO. 8671

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE CONTRACT NO. 2011-047-COS BETWEEN THE CITY AND SAGE COUNSELING AND CONTRACT NO. 2011-048-COS BETWEEN THE CITY AND SCOTTSDALE TREATMENT INSTITUTE, PLC FOR PROFESSIONAL SCREENING AND TREATMENT SERVICES

WHEREAS, the City wishes to contract for services for the provision of screening and treatment services for the Scottsdale City Court; and

WHEREAS, SAGE Counseling and Scottsdale Treatment Institute, PLC are qualified to provide the requisite services required by the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Arizona, as follows:

- Section 1. The Mayor of the City of Scottsdale is hereby authorized and directed to execute Contract No. 2011-047-COS between the City and SAGE Counseling for professional screening and treatment services.
- Section 2. The Mayor of the City of Scottsdale is hereby authorized and directed to execute Contract No. 2011-048-COS between the City and Scottsdale Treatment Institute, PLC for professional screening and treatment services.

PASSED AND ADOPTED by the City Council of the City of Scottsdale, Arizona this 17th day of May, 2011.


ATTEST:

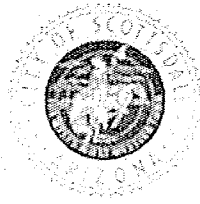
City of Scottsdale, an  
Arizona Municipal Corporation

\_\_\_\_\_  
Carolyn Jagger, City Clerk

\_\_\_\_\_  
W.J. "Jim" Lane, Mayor

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Bruce Washburn, City Attorney  
By: Steven Bennett, Deputy City Attorney



**CITY OF SCOTTSDALE  
PROFESSIONAL SERVICES CONTRACT**

THIS CONTRACT, entered into this 17<sup>th</sup> day of May, 2011, between the City of Scottsdale, an Arizona municipal corporation, the "City", and SAGE Counseling, Inc., an Arizona corporation, the "Consultant" or "Contractor".

**WITNESSETH**

The Mayor of the City of Scottsdale is authorized and empowered by provisions of the City Charter to execute contracts for professional services; and

The City desires to contract for Screening and Treatment Services; and

The Consultant is duly qualified to perform the requested services; and

In consideration of the mutual promises and obligations stated in this Contract, the parties agree as follows:

**1.0 DESCRIPTION, ACCEPTANCE, DOCUMENTATION**

Consultant will act under the authority and approval of the Contract Administrator for the City, as named below, to provide the professional services required by this Contract.

**1.1 SERVICE DESCRIPTION**

The entire Scope of Work for Request for Proposal No. 11RP005 identified as Screening and Treatment Service Provider is incorporated into this Contract by this reference as fully as if written out below. Consultant's proposal submitted in response to Request for Proposal Number 11RP005 and dated October 6<sup>th</sup>, 2010 is incorporated into this Contract by this reference as fully as if written out below. If any provision incorporated by reference from the Scope of Work conflicts with any provision of the Consultant's proposal, the provision of the Scope of Work will control. If any provision of the Consultant's proposal conflicts with any provision of this Contract, this Contract will control.

**1.2 ACCEPTANCE AND DOCUMENTATION**

- A. Each task must be reviewed and approved by the Contract Administrator to determine acceptable completion.
- B. The City will provide all necessary information to the Consultant for timely completion of the tasks specified in Section 1.1 above.

A handwritten signature in black ink, appearing to be "JY", is located in the bottom right corner of the page.



**ACCEPTANCE AND DOCUMENTATION – CONT'D**

- C. All documents, including but not limited to, data compilations, studies, and reports which are prepared in the performance of this Contract are to be and remain the property of the City and are to be delivered to the Contract Administrator before final payment is made to the Consultant.

**2.0 BILLING RECORDS, AUDIT, FEES****2.1 BILLING RECORDS, AUDIT**

The time spent for each task must be recorded and submitted to the Contract Administrator. Consultant must maintain all books, papers, documents, accounting records and other evidence pertaining to time billed and to costs incurred and makes these materials available for audit by the City in accordance with Section 4.7 of this Contract.

**2.2 FEE SCHEDULE**

The program participant shall be responsible for all costs for their screening and treatment requirements. **The City of Scottsdale shall never be responsible for any charges or costs associated with this contract under any circumstances.**

The maximum fee schedule for the program participant's screening/intake and treatment/education programs shall be established as follows:

Service	Maximum Fee	Notes
Intake	\$ 50.00	Flat Fee / 1 Meeting
Screening / Assessment	\$ 80.00	Flat Fee / 1 Meeting
Level 1 Alcohol Education/Treatment	\$ 25.00	Per Session / Group – Minimum 36 Sessions / Maximum of 72 Sessions
Level 2 Alcohol Education/Treatment	\$140.00	Flat Fee / 16 Hours
Aggressive Driving Treatment Program	100.00	Flat Fee / 1 Class (Approximately 8 hours)
Domestic Non-Violence Program	\$25.00	Per Session / Group – Minimum 26 Sessions / Maximum of 52 Sessions
Parenting Class	\$25.00	Per Session / Group – Minimum 4 Sessions / Maximum of 8 Sessions
Peace/Anger/Stress Management	\$25.00	Per Session / Group – Minimum 8 Sessions / Maximum of 16 Sessions
Sex Offender Treatment Program	\$25.00	Per Session / Group – No Minimum Sessions / No Maximum Sessions
Shoplifting/Theft Offender Program	\$25.00	Per Session / Group – Minimum 4 Sessions / Maximum of 8 Sessions
Underage Drinking Diversion	\$80.00	Flat Fee / 1 Class (Approximately 8 hours)
Drug Treatment	\$25.00	Per Session / Group – No Minimum Sessions / No Maximum Sessions

The Contractor shall charge the fees as detailed above with no additional fees or fees exceeding the above fee structure unless prior approval by the Contract Administrator is obtained.

## **FEE SCHEDULE – CONT'D**

For purposes of this contract the word "session" in the fee structure table shall be defined as one (1) hour of contact with the Contractor. Therefore if the item calls for a minimum of 36 sessions and a maximum of 72 sessions, this shall be interpreted to mean a minimum of 36 hours of treatment and a maximum of 72 hours of treatment.

Amounts indicated in this Section 2.2 represent the entire amounts payable under this Contract. Additional expenses will not be authorized.

### **2.3 PRICE ADJUSTMENT**

Fee increases may only be requested by the Contractor, thirty (30) days prior to the annual anniversary date of any awarded contract. Failure to do so may result in the denial of any fee increase requested. Fee increases will become effective only after approval by the City Presiding Judge and will be effective for only one (1) year from the date of approval.

### **3.0 TERM, EXTENSION, TERMINATION**

#### **3.1 TERM AND EXTENSION**

The term of this Contract is for a 1 year period. The City and Consultant may mutually agree to extend this Contract for 4 additional 1 year periods upon the recommendation of the Contract Administrator and the concurrence of the Purchasing Director.

This Contract must be approved by the City Council of the City of Scottsdale, Arizona and signed by its Mayor and attested by the City Clerk.

#### **3.2 TERMINATION**

Termination for Convenience: City reserves the right to terminate this contract or any part of this Contract for its sole convenience with 30 days written notice. In the event of any termination, Consultant must immediately stop all work, and must immediately cause any of its suppliers and Subcontractors to cease all work. As compensation in full for services performed to the date of termination, the Consultant will receive a fee for the percentage of services actually completed. This fee will be in the amount to be mutually agreed upon by the Consultant and the City, based on the agreed Scope of Work. If there is no mutual agreement, the Contract Administrator will determine the percentage of completion of each task detailed in the Scope of Work and the Consultant's compensation will be based upon this determination. The City will make this final payment within 60 days after the Consultant has delivered the last of the partially completed items. Consultant will not be paid for any work done upon receipt of the notice of termination, nor for any costs incurred by Consultant's suppliers or Subcontractors, which Consultant could reasonably have avoided.

Cancellation for Cause: City may also cancel this contract or any part of this Contract with 7 days notice for cause in the event of any default by the Consultant, or if the Consultant fails to comply with any of the terms and conditions of this contract. Unsatisfactory performance as judged by the Contract Administrator, and failure to provide City, upon request, with adequate assurances of future performance will all be causes allowing City to cancel this contract for cause.

### **TERMINATION – CONT'D**

In the event of cancellation for cause, City will not be liable to Consultant for any amount, and Consultant will be liable to City for any and all damages sustained by reason of the default which gave rise to the termination.

In the event Consultant is in violation of any Federal, State, County or City law, regulation or ordinance, the City may cancel this contract immediately upon giving notice to the Consultant.

If the City cancels this Contract or any part of the Contract services, the City will notify the Consultant in writing, and upon receiving notice, the Consultant must discontinue advancing the work and proceed to close all operations.

Upon cancellation, the Consultant must deliver to the City all drawings, special provisions, reports, and other documents, entirely or partially completed, in any format, including but not limited to written or electronic media, together with all unused materials supplied by the City. Use of incomplete data will be at the City's sole responsibility.

The Consultant must appraise the work it has completed and submit its appraisal to the City for evaluation. At that time, the Consultant will be entitled to be paid for Work performed and accepted by the City before the default.

If the Consultant fails to fulfill in a timely and proper manner its obligations, or if the Consultant violates any of the terms of this Contract, the City may withhold any payments to the Consultant for the purpose of setoff until the exact amount of damages due the City from the Consultant is determined by a court of competent jurisdiction.

If the City improperly cancels the Contract for cause; the cancellation for cause will be converted to a termination for convenience in accordance with the provisions of this Section.

### **3.3 FUNDS APPROPRIATION**

If the City Council does not appropriate funds to continue this Contract and pay for charges, the City may terminate this Contract at the end of the current fiscal period. The City agrees to give written notice of termination to the Consultant at least 30 days before the end of its current fiscal period and will pay to the Consultant all approved charges incurred through the end of this period.

### **4.0 GENERAL TERMS**

#### **4.1 ENTIRE AGREEMENT**

This Contract constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the specified services. This Contract may not be modified or amended except by a written document, signed by authorized representatives of each party.

#### **4.2 ARIZONA LAW**

This Contract is governed and interpreted according to the laws of the State of Arizona.

#### **4.3 MODIFICATIONS**

Any amendment, modification or variation from the terms of this Contract must be in writing and will be effective only after approval of all parties signing the original Contract.

#### **4.4 ASSIGNMENT**

Services covered by this Contract may not be assigned or sublet in whole or in part without first obtaining the written consent of the Purchasing Director and Contract Administrator.

#### **4.5 SUCCESSORS AND ASSIGNS**

This Contract extends to and is binding upon Consultant, its successors and assigns, including any individual, company, partnership or other entity with or into which Consultant merges, consolidates or is liquidated, or any person, corporation, partnership or other entity to which Consultant sells its assets.

#### **4.6 CONTRACT ADMINISTRATOR**

The Contract Administrator for the City will be the Deputy Court Administrator or designee. The Contract Administrator will oversee the execution of this Contract, assist the Consultant in accessing the organization, approve addenda, and assure Certificates of Insurance are in City's possession and are current and conform to the contract requirements. The Consultant must channel reports and special requests through the Contract Administrator.

#### **4.7 RECORDS AND AUDIT RIGHTS**

The City may audit all of the Consultant's records, calculations, and working documents pertaining to this work at a mutually agreeable time and place.

Consultant's records (hard copy, as well as computer readable data), and any other supporting evidence considered necessary by the City to substantiate charges and claims related to this contract must be open to inspection and subject to audit and/or reproduction by City's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by the Consultant or any of his payees in accordance with the execution of the contract. The City's authorized representative must be afforded access, at reasonable times and places, to all of the Consultant's records and personnel in accordance with the provisions of this section throughout the term of this contract and for a period of 3 years after last or final payment.

Consultant must require all Subcontractors, insurance agents, and material suppliers (payees) to comply with the provisions of this section by insertion of these requirements in a written contract agreement between Consultant and payee. These requirements will also apply to any and all Subcontractors.

If an audit in accordance with this section, discloses overcharges, of any nature, by the Consultant to the City in excess of 1% of the total contract billings, the actual cost of the City's audit must be reimbursed to the City by the Consultant. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Consultant's invoices and/or records must be made within a reasonable amount of time (not to exceed 90 days) from presentation of City's findings to Consultant.

**4.8 ATTORNEY'S FEES**

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default, the prevailing party will be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which will be considered to have accrued on the commencement of the action and will be enforceable whether or not such action is prosecuted to judgment.

**4.9 INELIGIBLE BIDDER**

The preparer of specifications is not eligible to submit a bid or proposal on the solicitation for which they prepared the specification, nor is the preparer eligible to supply any product to a bidder or offeror on the solicitation for which they prepared the specification.

**4.10 INDEPENDENT CONTRACTOR**

The services Contractor provides under the terms of this Contract to the City are that of an Independent Contractor, not an employee, or agent of the City. The City will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

City will not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

**4.11 CONFLICT OF INTEREST**

The Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any person or persons, other than a bona fide employee working solely for the Consultant any fee, commission, percentage, brokerage fee, gifts or any consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City will have the right to cancel this Contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of any fee, commission, percentage, brokerage fee, gift or contingent fee, together with costs and attorney's fees.

The City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation will be effective when written notice from the City is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. §38-511).

#### **4.12 NOTICES**

All notices or demands required to be given in accordance with the terms of this Contract must be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses stated below, or to any other address the parties may substitute by written notice given in the manner prescribed in this section.

In the case of Consultant:

SAGE Counseling, Inc.  
Attn.: Stephen Grams  
1830 South Alma School Road  
Mesa, AZ 85210  
Phone: 480-649-3352  
Email: [gramss@sagecounseling.net](mailto:gramss@sagecounseling.net)

In the case of City:

Scottsdale City Court  
Attn.: Julie Dybas  
3700 N 75<sup>th</sup> St.  
Scottsdale, AZ 85251  
Phone: 1480-312-2444  
Email: [jdybas@scottsdaleaz.gov](mailto:jdybas@scottsdaleaz.gov)

Notices will be considered received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail. Notice by facsimile or electronic mail is not adequate notice.

#### **4.13 FORCE MAJEURE**

Neither party will be responsible for delays or failures in performance resulting from acts beyond their control. These acts include, but are not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, or power failures.

#### **4.14 TAXES**

Consultant is solely responsible for any and all tax obligations which may result out of the Consultants performance of this contract. The City has no obligation to pay any amounts for taxes, of any type, incurred by the Consultant.

#### **4.15 ADVERTISING**

No advertising or publicity concerning the City using the Consultant's services shall be undertaken without first obtaining the written approval for the advertising or publicity by the City Contract Administrator.



#### **4.16 COUNTERPARTS**

This contract may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Contract will be considered to possess the full force and effect of the original.

#### **4.17 CAPTIONS**

The captions used in this Contract are solely for the convenience of the parties, do not constitute a part of this Contract and are not to be used to construe or interpret this Contract.

#### **4.18 SUBCONTRACTORS**

During the performance of the Contract, the Consultant may engage any additional Subcontractors as may be required for the timely completion of this Contract. The addition of any Subcontractors requires that the Consultant first obtain the approval of the City.

In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Contract rests with the Consultant.

The Consultant will pay its Subcontractors within 7 calendar days of receipt of each progress payment from the City. The Consultant will pay for the amount of the Work performed by each Subcontractor as accepted and approved by the City with each progress payment. In addition, any reduction of retention, if any, by the City will result in a corresponding reduction to Subcontractors who have performed satisfactory work. The Consultant will pay Subcontractors the reduced retention within 14 calendar days of the payment of the reduction of the retention to the Consultant. No Contract between the Consultant and its Subcontractors may materially alter the rights of any Subcontractor to receive prompt payment and retention reduction as provided in this Contract.

If the Consultant fails to make payments in accordance with these provisions, the City may take any of one or more of the following actions and the Consultant agrees that the City may take these actions:

- A. To hold the Consultant in default under this Contract;
- B. Withhold future payments including retention until proper payment has been made to Subcontractors in accordance with these provisions;
- C. Reject all future offers to perform work for the City from the Consultant for a period not to exceed 1 year from the completion date of this project; or
- D. Cancel this Contract.

#### **4.19 CHANGES IN THE WORK**

The City may at any time, as the need arises, order changes within the scope of the work without invalidating the contract. If any changes increase or decrease the amount due under the contract documents, or in the time required for performance of the work, an equitable adjustment will be authorized by written Change Order.

#### **CHANGES IN THE WORK – CONT'D**

The City will execute a formal Change Order based on detailed written quotations from the Contractor for work related changes and/or a time of completion variance. All Change Orders are subject to approval by the City.

Contract Change Orders are subject to the Rules and Procedures within the City's Procurement Code.

#### **4.20 CO-OP USE OF CONTRACT**

In addition to the City of Scottsdale, this Contract may be extended for use by other municipalities, government agencies and governing bodies, including the Arizona Board of Regents, and political subdivisions of the State. Any usage by other entities must be in accord with the ordinances, charter and/or rules and regulations of the respective entity and the approval of the Contractor.

#### **4.21 COMPLIANCE WITH FEDERAL AND STATE LAWS**

The Consultant understands and acknowledges the applicability of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 to it. In addition, the Consultant understands and acknowledges the applicability of A.R.S. §34-301 and 34-302.

#### **4.22 IMMIGRATION LAW COMPLIANCE**

Under the provisions of A.R.S. §41-4401, the Consultant warrants to the City that the Consultant and all its subcontractors will comply with all Federal Immigration laws and regulations that relate to their employees and that the Consultant and all its subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).

A breach of this warranty by the Consultant or any of its subcontractors will be considered a material breach of this Contract and may subject the Consultant or Subcontractor to penalties up to and including termination of this Contract or any subcontract. The Consultant will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. The Consultant's failure to assure compliance by all its' subcontractors with the E-Verify Program may be considered a material breach of this Contract by the City.

The City retains the legal right to inspect the papers of any employee of the Consultant or any subcontractor who works on this Contract to ensure that the Consultant or any subcontractor is complying with the warranty given above.

The City may conduct random verification of the employment records of the Consultant and any of its subcontractors to ensure compliance with this warranty. The Consultant agrees to indemnify, defend and hold the City harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

#### **4.23 LAWFUL PRESENCE IN THE UNITED STATES FOR PERSONS**

A.R.S. §1-502 (H.B. 2008) requires that all PERSONS who will be awarded a contract and apply for public benefit must demonstrate through a signed affidavit and the presentation of a copy of documentation that verifies that they are lawfully present in the United States.



**LAWFUL PRESENCE IN THE UNITED STATES FOR PERSONS – CONT'D**

A PERSON is defined as all NATURAL PERSONS / INDIVIDUALS / SOLE PROPRIETORSHIPS as indicated by your W9 Filing. *(This law does not apply to LLP's, LLC's, PLLC's, Corporations Limited Partnerships or General Partnerships)*

By submitting your quote, bid, proposal and/or indicating your desire to enter in a contract with the City you are agreeing that if you are selected as the awardee and meet the criteria of a PERSON you will abide by this law and sign and submit an AFFIDAVIT DEMONSTRATING LAWFUL PRESENCE IN THE UNITED STATES and attach the appropriate copy of your documentation to verify of that statement. Types of acceptable documentation copies are an Arizona Drivers License issued after 1996, Arizona nonoperating identification license, U.S. birth certificate, U.S. Passport, I-94 Form with photograph and several others that are all listed on the Affidavit form that the City will send to you for your completion before to issuing any contract.

If you have previously done business with the City and have already filed the above Affidavit with copies of an acceptable documentation please indicate when you filed the affidavit. If your approved Affidavit is already on file with the City, you have complied with this requirement.

If you fail to provide a completed Affidavit and accompanying copy of your acceptable documentation, or if you do not advise the City of your previous filing within 10 calendar days after receiving the City's request you may be considered non responsive and disqualified from that award consideration. You can obtain the complete Affidavit form from the City's Purchasing Department at (480) 312-5700 or the City's website at <http://www.scottsdaleaz.gov/vendors.asp> on the Vendor Resources page at the bottom right under Forms.

**4.24 CONTRACTS WITH SUDAN AND IRAN**

In accordance with A.R.S. §35-391.06 and 35-393.06, the contractor certifies that it does not have scrutinized business operations in Sudan or Iran, as defined in A.R.S. §35-391(15) and 35-393(12).

**4.25 INDEMNIFICATION**

To the fullest extent permitted by law, Consultant, its successors, assigns and guarantors, must defend, indemnify and hold harmless City of Scottsdale, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Consultant relating to work or services in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Consultant's and Subcontractor's employees.

**INDEMNIFICATION – CONT'D**

Insurance provisions stated in this Contract are separate and independent from the indemnity provisions of this section and must not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this section must not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

**4.26 OWNERSHIP OF PROJECT DOCUMENTS**

All documents, including but not limited to notes, records, data compilations, studies, and reports in any format, including but not limited to, written or electronic media, prepared in the performance of this Contract will remain the property of the City and must be delivered to the Contract Administrator before final payment is made to the Consultant.

When the work detail covers only the preparation of preliminary reports or documents, there will be no limitations upon the City concerning use of the ideas or recommendations in the reports or documents. The City will release the Consultant from any liability for the preparation and use of preliminary reports or documents.

Any use of the project documents for purposes other than intended under this Contract will be at the sole risk of the City, and the Consultant will not be liable for any losses or injuries arising out of that use.

**4.27 COMPLETENESS AND ACCURACY**

The Consultant will be responsible for the completeness and accuracy of work prepared by the Consultant and will correct, at its expense, all errors or omissions which may be disclosed. The cost to correct those errors will be chargeable to the Consultant. Additional work or construction added to the project will not be the responsibility of the Consultant unless the need for additional work or construction was created by any error, omission, or negligent act of the Consultant. The City's acceptance of the Consultant's work will not relieve the Consultant of any of its responsibilities. The professional standard to which the Consultant is held will be that of a similar Consultant as practiced in the State of Arizona.

**4.28 ALTERATIONS OR ADDITIONS TO SCOPE OF SERVICES**

The total Scope of the Consulting Services to be performed is stated in this Contract. Any services requested outside the scope of work are additional services. The Consultant will not perform these additional services without a written Change Order approved by the City. If the Consultant performs additional services without a Change Order, the Consultant will not receive any additional compensation.

**4.29 EQUAL EMPLOYMENT OPPORTUNITY**

The Consultant will comply with Executive Order No. 11245, entitled "Equal Employment Opportunity", as amended by Executive Order No. 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60). The Consultant will include the terms of this provision in all contracts and subcontracts for work performed under this Contract, including supervision and oversight.

#### **4.30 VALUATION OF CONSULTANT'S PERFORMANCE**

The Consultant will be evaluated regarding its performance of this Contract. This evaluation will include, but not be limited to, the following consideration for:

- Completeness
- Accuracy
- Technical Expertise
- Organization
- Working relationship with City staff and others
- Availability
- Communication skills (meetings, correspondence, etc.)

This evaluation will be prepared by the staff and used to evaluate the desirability to proceed with negotiations for additional services.

#### **4.31 THIRD PARTY BENEFICIARY**

Nothing under the Contract Documents will be construed to give any rights or benefits in the Contract Documents to anyone other than the City and the Consultant, and all duties and responsibilities undertaken in accordance with the Contract Documents will be for the sole and exclusive benefit of the City and the Consultant and not for the benefit of any other party.

#### **4.32 CONTRACTOR ON SITE SAFETY REPORTING REQUIREMENTS**

For any non-construction City supplier whose service contract(s) (either singular or in aggregate) results in the contractor working 500 or more hours on site at a City of Scottsdale location(s) in any one calendar quarter, the following documentation must be provided by the contractor to the Contract Administrator (CA):

- the contractor's most recent OSHA 300A (if applicable);
- all accident reports for injuries that occurred in the city under the contract during the most recent review period;
- the contractor's current worker's compensation experience modifier;
- the above information is to be provided to the CA initially and every February thereafter as long as the contract is in force;
- the CA will provide this information to Risk Management when requested.

#### **5.0 INSURANCE**

This contract contains the Standard Acord Certificate of Insurance.

Failure to provide a Certificate of Insurance with the appropriate verbiage as indicated, will result in rejection of your certificate and delay in contract execution.

**Additionally, Certificates of Insurance submitted without referencing an RFP and Contract number will be subject to rejection and returned or discarded.**

**INSURANCE – CONT'D**

**5.1 Insurance Representations and Requirements**

- 5.1.1 General:** Consultant agrees to comply with all applicable City ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Consultant, Consultant must purchase and maintain, at its own expense, the stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to City of Scottsdale. Failure to maintain insurance as specified may result in termination of this Contract at City of Scottsdale's option.
- 5.1.2 No Representation of Coverage Adequacy:** By requiring insurance, City of Scottsdale does not represent that coverage and limits will be adequate to protect Consultant. City of Scottsdale reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements stated in this contract or failure to identify any insurance deficiency will not relieve Consultant from, nor be construed or considered a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.
- 5.1.3 Coverage Term:** All insurance required by this Contract must be maintained in full force and effect until all work or services required to be performed under the terms of this contract are satisfactorily performed, completed and formally accepted by the City of Scottsdale, unless specified otherwise in this Contract.
- 5.1.4 Claims Made:** In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage must extend, either by keeping coverage in force or purchasing an extended reporting option, for 3 years past completion and acceptance of the work or services as evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required for the 3 year period.
- 5.1.5 Policy Deductibles and or Self Insured Retentions:** The policy requirements may provide coverage which contain deductibles or self insured retention amounts. These deductibles or self insured retention must not be applicable with respect to the policy limits provided to City of Scottsdale. Consultant is solely responsible for any deductible or self insured retention amount. City of Scottsdale, at its option, may require Consultant to secure payment of the deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.
- 5.1.6 Use of Subcontractors:** If any work under this Contract is subcontracted in any way, Consultant must execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as stated in this Contract protecting City of Scottsdale and Consultant. Consultant is responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

**Insurance Representations and Requirements – Cont'd**

**5.1.7 Evidence of Insurance:** Before starting any work or services under this Contract, Consultant must furnish City of Scottsdale with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by Consultant's insurer(s) as evidence that policies are placed with acceptable insurers as specified in this Contract and provide the required coverage, conditions, and limits of coverage and that this coverage and the provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the above cited policies expire during the life of this Contract, it is Consultant's responsibility to forward renewal Certificates within 10 days after the renewal date containing all the aforementioned insurance provisions. Certificates must specifically cite the following provisions:

1. City of Scottsdale, its agents, representatives, officers, directors, officials and employees must be named an Additional Insured under the following policies:
  - a) Commercial General Liability
  - b) Auto Liability
  - c) Excess Liability - Follow Form to underlying insurance as required.
2. Consultant's insurance must be primary insurance as respects performance of subject contract.
3. All policies, except Professional Liability insurance, if applicable, waive rights of recovery (subrogation) against City of Scottsdale, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Consultant under this Contract.
4. Certificate must cite 30 day advance notice of cancellation provision or 10 days notice of cancellation for non-payment of premiums.

**5.2 Required Coverage**

**5.2.1 Commercial General Liability:** Consultant must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$1,000,000 Products and Completed Operations Annual Aggregate, and a \$1,000,000 General Aggregate Limit. The policy must cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this section, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying.

**5.2.2 Professional Liability:** If the Contract is the subject of any professional services or work, or if Consultant engages in any professional services or work adjunct or residual to performing the work under this Contract, Consultant must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by Consultant, or anyone employed by Consultant, or anyone for whose acts, mistakes, errors and omissions Consultant is legally liable, with a liability insurance limit of \$1,000,000 each claim and \$1,000,000 all claims.

**Required Coverage – Cont'd**

- 5.2.3 Vehicle Liability:** Consultant must maintain Business Automobile Liability insurance with a limit of \$500,000 each accident on Consultant's owned, hired, and non-owned vehicles assigned to or used in the performance of the Consultant's work or services under this Contract. If any hazardous material, as defined by any local, state or federal authority, is the subject, or transported, in the performance of this contract, an MCS 90 endorsement is required providing \$5,000,000 per occurrence limits of liability for bodily injury and property damage. If any Excess insurance is utilized to fulfill the requirements of this section, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying.
- 5.2.4 Workers Compensation Insurance:** Consultant must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of work or services under this Contract and must also maintain Employers' Liability Insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee and \$500,000 disease policy limit.

**6.0 SEVERABILITY AND AUTHORITY**

**6.1 SEVERABILITY**

If any term or provision of this Contract is found to be illegal or unenforceable, then despite this illegality or unenforceability, this Contract will remain in full force and effect and the term or provision will be considered to be deleted.

**6.2 AUTHORITY**

Each party warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

**7.0 REQUEST FOR TAXPAYER I.D. NUMBER & CERTIFICATION I.R.S. W-9 FORM**

Before contract payment being made, an I.R.S. W-9 Form *must* be completed and submitted to the following address:

City of Scottsdale  
Accounts Payable Division  
7447 E. Indian School Rd.  
Scottsdale, AZ 85251

**REST OF PAGE INTENTIONALLY LEFT BLANK  
SEE NEXT PAGE FOR SIGNATURE**

The City of Scottsdale by its Mayor and City Clerk has subscribed their names this 17<sup>th</sup> day of May, 2011.

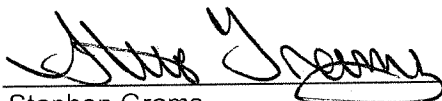
CITY OF SCOTTSDALE

By: \_\_\_\_\_  
W. J. "Jim" Lane, Mayor

ATTEST:

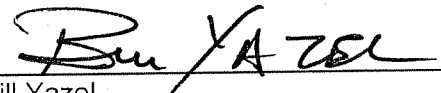
CONSULTANT:  
SAGE Counseling, Inc.,  
an Arizona corporation

By: \_\_\_\_\_  
Carolyn Jagger, City Clerk

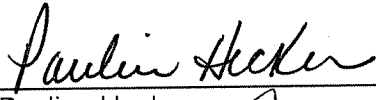
By:  \_\_\_\_\_  
Stephen Grams  
Executive Director / President

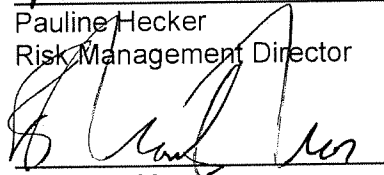
CITY OF SCOTTSDALE REVIEW:

CITY CONTRACT ADMINISTRATOR


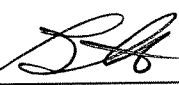
 \_\_\_\_\_  
Bill Yazel  
Purchasing Director

By:  \_\_\_\_\_  
Julie Dybas  
Deputy Court Administrator

 \_\_\_\_\_  
Pauline Hecker  
Risk Management Director

 \_\_\_\_\_  
B. Monte Morgan  
Presiding Judge

APPROVED AS TO FORM:

  \_\_\_\_\_  
Bruce Washburn City Attorney  
By: Steven Bennett  
Deputy City Attorney



# CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)  
 4/22/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Lovitt & Touche' Inc - Tucson P. O. Box 32702 Tucson AZ 85751-2702		<b>CONTACT</b> NAME: PHONE (A/C, No, Ext): E-MAIL: ADDRESS:		FAX (A/C, No):
		<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
		INSURER A: SOC. SVC. CONTR. INDEMNITY POOL		
		INSURER B:		
		INSURER C:		
		INSURER D:		
		INSURER E:		
		INSURER F:		

**COVERAGES**

CERTIFICATE NUMBER: 547039872

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			SS38650511	12/19/2010	12/19/2011	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPIOP AGG \$2,000,000 \$ GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO <input type="checkbox"/> LOC <input type="checkbox"/>
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						
A	AUTOMOBILE LIABILITY			SS38650511	12/19/2010	12/19/2011	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS						
	<input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			SSE1390311	12/19/2010	12/19/2011	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$ WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			SS38650511	12/19/2010	12/19/2011	Each Claim \$1,000,000 Aggregate \$2,000,000
A	Sex Abuse & Molestation Liability			SS38650511	12/19/2010	12/19/2011	\$1,000,000 \$2,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE: RFP # 11RFP005 Screening and Treatment Services

City of Scottsdale, its agents, representatives, officers, directors, officials and employees are additional insureds as respects to general liability and automobile liability if required in a written contract.

See Attached...

**CERTIFICATE HOLDER**
**CANCELLATION 30\***

Scottsdale City Court Attn: Julie Dybas 3700 N 75th Street Scottsdale AZ 85251	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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AGENCY CUSTOMER ID: \_\_\_\_\_  
 LOC #: \_\_\_\_\_


# ADDITIONAL REMARKS SCHEDULE

 Page 1 of 1

AGENCY Lovitt & Touche' Inc - Tucson		NAMED INSURED Sage Counseling, Inc. 1830 South Alma School Rd #101 Mesa AZ 85210	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

## ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

All policies, except Professional Liability insurance, if applicable, waive rights of recovery (subrogation) against City of Scottsdale, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Consultant under this Contract.

The Provider's insurance coverage shall be primary insurance with respect to all other available sources.

\*30 days notice of cancellation; 10 days notice of cancellation for nonpayment of premium.



# CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)  
 4/22/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER  
**DENNY SMITH INSURANCE AGENCY INC**  
 5350 W Bell Rd Suite 105  
 Glendale, AZ 85308

CONTACT  
 NAME:  
 PHONE (A/C No. Ext): **(602) 375-0880** FAX (A/C No.): **(602) 424-0183**  
 E-MAIL ADDRESS: **denny@onefarmers.com**

INSURED **SAGE COUNSELING INC**  
  
 1830 S Alma School Rd, Ste# 101  
 Mesa, AZ 85210  
 480-649-3352

INSURER(S) AFFORDING COVERAGE	NAIC#
INSURER A:	
INSURER B:	
INSURER C: <b>CHARTIS</b>	<b>40258</b>
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES      CERTIFICATE NUMBER: **C**      REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY						EACH OCCURRENCE \$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	CLAIMS-MADE <input type="checkbox"/> OCCUR <input type="checkbox"/>						MED EXP (Any one person) \$
							PERSONAL & AOV INJURY \$
							GENERAL AGGREGATE \$
							PRODUCTS - COMP/OP AGG \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						\$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	ANYAUTO						BODILY INJURY (Per person) \$
	ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
	SCHEDULED AUTOS NON-OWNED AUTOS						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
<b>C</b>	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<b>N</b>	<b>N/A</b>	<b>QB-584137</b>	<b>01/01/2011</b>	<b>01/01/2012</b>	E.L. EACH ACCIDENT \$ <b>1,000,000</b>
							E.L. DISEASE - EA EMPLOYEE \$ <b>1,000,000</b>
							E.L. DISEASE - POLICY LIMIT \$ <b>1,000,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Additional Insured: RFP# 11RFP005 Screening and Treatment Services

City of Scottsdale, its agents, representatives, officers, directors, officials and employees are additional insureds with respect to Workers Compensation. Policy waives rights of recovery (subrogation) against City of Scottsdale, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Consultant under their contract with additional insured. Consultants insurance is primary as respects performance of subject contract. Contract # 2011-047-cos

## CERTIFICATE HOLDER

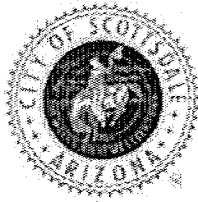
**Scottsdale City Court**  
 attn: Julie Dybas  
 37N 75th St  
 Scottsdale, AZ 85251

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**CITY OF SCOTTSDALE  
PROFESSIONAL SERVICES CONTRACT**

THIS CONTRACT, entered into this 17<sup>th</sup> day of May, 2011, between the City of Scottsdale, an Arizona municipal corporation, the "City", and Scottsdale Treatment Institute, PLC, an Arizona corporation, the "Consultant" or "Contractor".

**WITNESSETH**

The Mayor of the City of Scottsdale is authorized and empowered by provisions of the City Charter to execute contracts for professional services; and

The City desires to contract for Screening and Treatment Services; and

The Consultant is duly qualified to perform the requested services; and

In consideration of the mutual promises and obligations stated in this Contract, the parties agree as follows:

**1.0 DESCRIPTION, ACCEPTANCE, DOCUMENTATION**

Consultant will act under the authority and approval of the Contract Administrator for the City, as named below, to provide the professional services required by this Contract.

**1.1 SERVICE DESCRIPTION**

The entire Scope of Work for Request for Proposal No. 11RP005 identified as Screening and Treatment Service Provider is incorporated into this Contract by this reference as fully as if written out below. Consultant's proposal submitted in response to Request for Proposal Number 11RP005 and dated October 6<sup>th</sup>, 2010 is incorporated into this Contract by this reference as fully as if written out below. If any provision incorporated by reference from the Scope of Work conflicts with any provision of the Consultant's proposal, the provision of the Scope of Work will control. If any provision of the Consultant's proposal conflicts with any provision of this Contract, this Contract will control.

**1.2 ACCEPTANCE AND DOCUMENTATION**

- A. Each task must be reviewed and approved by the Contract Administrator to determine acceptable completion.
- B. The City will provide all necessary information to the Consultant for timely completion of the tasks specified in Section 1.1 above.

**ACCEPTANCE AND DOCUMENTATION – CONT'D**

- C. All documents, including but not limited to, data compilations, studies, and reports which are prepared in the performance of this Contract are to be and remain the property of the City and are to be delivered to the Contract Administrator before final payment is made to the Consultant.

**2.0 BILLING RECORDS, AUDIT, FEES****2.1 BILLING RECORDS, AUDIT**

The time spent for each task must be recorded and submitted to the Contract Administrator. Consultant must maintain all books, papers, documents, accounting records and other evidence pertaining to time billed and to costs incurred and makes these materials available for audit by the City in accordance with Section 4.7 of this Contract.

**2.2 FEE SCHEDULE**

The program participant shall be responsible for all costs for their screening and treatment requirements. **The City of Scottsdale shall never be responsible for any charges or costs associated with this contract under any circumstances.**

The maximum fee schedule for the program participant's screening/intake and treatment/education programs shall be established as follows:

Service	Maximum Fee	Notes
Intake	\$ 50.00	Flat Fee / 1 Meeting
Screening / Assessment	\$ 80.00	Flat Fee / 1 Meeting
Level 1 Alcohol Education/Treatment	\$ 25.00	Per Session / Group – Minimum 36 Sessions / Maximum of 72 Sessions
Level 2 Alcohol Education/Treatment	\$140.00	Flat Fee / 16 Hours
Aggressive Driving Treatment Program	100.00	Flat Fee / 1 Class (Approximately 8 hours)
Domestic Non-Violence Program	\$25.00	Per Session / Group – Minimum 26 Sessions / Maximum of 52 Sessions
Parenting Class	\$25.00	Per Session / Group – Minimum 4 Sessions / Maximum of 8 Sessions
Peace/Anger/Stress Management	\$25.00	Per Session / Group – Minimum 8 Sessions / Maximum of 16 Sessions
Sex Offender Treatment Program	\$25.00	Per Session / Group – No Minimum Sessions / No Maximum Sessions
Shoplifting/Theft Offender Program	\$25.00	Per Session / Group – Minimum 4 Sessions / Maximum of 8 Sessions
Underage Drinking Diversion	\$80.00	Flat Fee / 1 Class (Approximately 8 hours)
Drug Treatment	\$25.00	Per Session / Group – No Minimum Sessions / No Maximum Sessions

The Contractor shall charge the fees as detailed above with no additional fees or fees exceeding the above fee structure unless prior approval by the Contract Administrator is obtained.

**FEE SCHEDULE – CONT'D**

For purposes of this contract the word "session" in the fee structure table shall be defined as one (1) hour of contact with the Contractor. Therefore if the item calls for a minimum of 36 sessions and a maximum of 72 sessions, this shall be interpreted to mean a minimum of 36 hours of treatment and a maximum of 72 hours of treatment.

Amounts indicated in this Section 2.2 represent the entire amounts payable under this Contract. Additional expenses will not be authorized.

**2.3 PRICE ADJUSTMENT**

Fee increases may only be requested by the Contractor, thirty (30) days prior to the annual anniversary date of any awarded contract. Failure to do so may result in the denial of any fee increase requested. Fee increases will become effective only after approval by the City Presiding Judge and will be effective for only one (1) year from the date of approval.

**3.0 TERM, EXTENSION, TERMINATION**

**3.1 TERM AND EXTENSION**

The term of this Contract is for a 1 year period. The City and Consultant may mutually agree to extend this Contract for 4 additional 1 year periods upon the recommendation of the Contract Administrator and the concurrence of the Purchasing Director.

This Contract must be approved by the City Council of the City of Scottsdale, Arizona and signed by its Mayor and attested by the City Clerk.

**3.2 TERMINATION**

Termination for Convenience: City reserves the right to terminate this contract or any part of this Contract for its sole convenience with 30 days written notice. In the event of any termination, Consultant must immediately stop all work, and must immediately cause any of its suppliers and Subcontractors to cease all work. As compensation in full for services performed to the date of termination, the Consultant will receive a fee for the percentage of services actually completed. This fee will be in the amount to be mutually agreed upon by the Consultant and the City, based on the agreed Scope of Work. If there is no mutual agreement, the Contract Administrator will determine the percentage of completion of each task detailed in the Scope of Work and the Consultant's compensation will be based upon this determination. The City will make this final payment within 60 days after the Consultant has delivered the last of the partially completed items. Consultant will not be paid for any work done upon receipt of the notice of termination, nor for any costs incurred by Consultant's suppliers or Subcontractors, which Consultant could reasonably have avoided.

Cancellation for Cause: City may also cancel this contract or any part of this Contract with 7 days notice for cause in the event of any default by the Consultant, or if the Consultant fails to comply with any of the terms and conditions of this contract. Unsatisfactory performance as judged by the Contract Administrator, and failure to provide City, upon request, with adequate assurances of future performance will all be causes allowing City to cancel this contract for cause.

### **TERMINATION – CONT'D**

In the event of cancellation for cause, City will not be liable to Consultant for any amount, and Consultant will be liable to City for any and all damages sustained by reason of the default which gave rise to the termination.

In the event Consultant is in violation of any Federal, State, County or City law, regulation or ordinance, the City may cancel this contract immediately upon giving notice to the Consultant.

If the City cancels this Contract or any part of the Contract services, the City will notify the Consultant in writing, and upon receiving notice, the Consultant must discontinue advancing the work and proceed to close all operations.

Upon cancellation, the Consultant must deliver to the City all drawings, special provisions, reports, and other documents, entirely or partially completed, in any format, including but not limited to written or electronic media, together with all unused materials supplied by the City. Use of incomplete data will be at the City's sole responsibility.

The Consultant must appraise the work it has completed and submit its appraisal to the City for evaluation. At that time, the Consultant will be entitled to be paid for Work performed and accepted by the City before the default.

If the Consultant fails to fulfill in a timely and proper manner its obligations, or if the Consultant violates any of the terms of this Contract, the City may withhold any payments to the Consultant for the purpose of setoff until the exact amount of damages due the City from the Consultant is determined by a court of competent jurisdiction.

If the City improperly cancels the Contract for cause; the cancellation for cause will be converted to a termination for convenience in accordance with the provisions of this Section.

### **3.3 FUNDS APPROPRIATION**

If the City Council does not appropriate funds to continue this Contract and pay for charges, the City may terminate this Contract at the end of the current fiscal period. The City agrees to give written notice of termination to the Consultant at least 30 days before the end of its current fiscal period and will pay to the Consultant all approved charges incurred through the end of this period.

### **4.0 GENERAL TERMS**

#### **4.1 ENTIRE AGREEMENT**

This Contract constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the specified services. This Contract may not be modified or amended except by a written document, signed by authorized representatives of each party.

#### **4.2 ARIZONA LAW**

This Contract is governed and interpreted according to the laws of the State of Arizona.

#### **4.3 MODIFICATIONS**

Any amendment, modification or variation from the terms of this Contract must be in writing and will be effective only after approval of all parties signing the original Contract.

#### **4.4 ASSIGNMENT**

Services covered by this Contract may not be assigned or sublet in whole or in part without first obtaining the written consent of the Purchasing Director and Contract Administrator.

#### **4.5 SUCCESSORS AND ASSIGNS**

This Contract extends to and is binding upon Consultant, its successors and assigns, including any individual, company, partnership or other entity with or into which Consultant merges, consolidates or is liquidated, or any person, corporation, partnership or other entity to which Consultant sells its assets.

#### **4.6 CONTRACT ADMINISTRATOR**

The Contract Administrator for the City will be the Deputy Court Administrator or designee. The Contract Administrator will oversee the execution of this Contract, assist the Consultant in accessing the organization, approve addenda, and assure Certificates of Insurance are in City's possession and are current and conform to the contract requirements. The Consultant must channel reports and special requests through the Contract Administrator.

#### **4.7 RECORDS AND AUDIT RIGHTS**

The City may audit all of the Consultant's records, calculations, and working documents pertaining to this work at a mutually agreeable time and place.

Consultant's records (hard copy, as well as computer readable data), and any other supporting evidence considered necessary by the City to substantiate charges and claims related to this contract must be open to inspection and subject to audit and/or reproduction by City's authorized representative to the extent necessary to adequately permit evaluation and verification of cost of the work, and any invoices, change orders, payments or claims submitted by the Consultant or any of his payees in accordance with the execution of the contract. The City's authorized representative must be afforded access, at reasonable times and places, to all of the Consultant's records and personnel in accordance with the provisions of this section throughout the term of this contract and for a period of 3 years after last or final payment.

Consultant must require all Subcontractors, insurance agents, and material suppliers (payees) to comply with the provisions of this section by insertion of these requirements in a written contract agreement between Consultant and payee. These requirements will also apply to any and all Subcontractors.

If an audit in accordance with this section, discloses overcharges, of any nature, by the Consultant to the City in excess of 1% of the total contract billings, the actual cost of the City's audit must be reimbursed to the City by the Consultant. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Consultant's invoices and/or records must be made within a reasonable amount of time (not to exceed 90 days) from presentation of City's findings to Consultant.

#### **4.8 ATTORNEY'S FEES**

In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default, the prevailing party will be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which will be considered to have accrued on the commencement of the action and will be enforceable whether or not such action is prosecuted to judgment.

#### **4.9 INELIGIBLE BIDDER**

The preparer of specifications is not eligible to submit a bid or proposal on the solicitation for which they prepared the specification, nor is the preparer eligible to supply any product to a bidder or offeror on the solicitation for which they prepared the specification.

#### **4.10 INDEPENDENT CONTRACTOR**

The services Contractor provides under the terms of this Contract to the City are that of an Independent Contractor, not an employee, or agent of the City. The City will report the value paid for these services each year to the Internal Revenue Service (I.R.S.) using Form 1099.

City will not withhold income tax as a deduction from contractual payments. As a result of this, Contractor may be subject to I.R.S. provisions for payment of estimated income tax. Contractor is responsible for consulting the local I.R.S. office for current information on estimated tax requirements.

#### **4.11 CONFLICT OF INTEREST**

The Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any person or persons, other than a bona fide employee working solely for the Consultant any fee, commission, percentage, brokerage fee, gifts or any consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City will have the right to cancel this Contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of any fee, commission, percentage, brokerage fee, gift or contingent fee, together with costs and attorney's fees.

The City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation will be effective when written notice from the City is received by all other parties to the contract, unless the notice specifies a later time (A.R.S. §38-511).



#### **4.12 NOTICES**

All notices or demands required to be given in accordance with the terms of this Contract must be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses stated below, or to any other address the parties may substitute by written notice given in the manner prescribed in this section.

In the case of Consultant:

Scottsdale Treatment Institute, PLC  
Attn.: Brian Butler  
6991 East Camelback Road, Suite B360  
Scottsdale, AZ 85251  
Phone: 480-429-9044  
Email: [brian@scottsdaletreatment.com](mailto:brian@scottsdaletreatment.com)

In the case of City:

Scottsdale City Court  
Attn.: Julie Dybas  
3700 N 75<sup>th</sup> St.  
Scottsdale, AZ 85251  
Phone: 1480-312-2444  
Email: [jdybas@scottsdaleaz.gov](mailto:jdybas@scottsdaleaz.gov)

Notices will be considered received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail. Notice by facsimile or electronic mail is not adequate notice.

#### **4.13 FORCE MAJEURE**

Neither party will be responsible for delays or failures in performance resulting from acts beyond their control. These acts include, but are not be limited to, acts of God, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, or power failures.

#### **4.14 TAXES**

Consultant is solely responsible for any and all tax obligations which may result out of the Consultants performance of this contract. The City has no obligation to pay any amounts for taxes, of any type, incurred by the Consultant.

#### **4.15 ADVERTISING**

No advertising or publicity concerning the City using the Consultant's services shall be undertaken without first obtaining the written approval for the advertising or publicity by the City Contract Administrator.

#### **4.16 COUNTERPARTS**

This contract may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Contract will be considered to possess the full force and effect of the original.

#### **4.17 CAPTIONS**

The captions used in this Contract are solely for the convenience of the parties, do not constitute a part of this Contract and are not to be used to construe or interpret this Contract.

#### **4.18 SUBCONTRACTORS**

During the performance of the Contract, the Consultant may engage any additional Subcontractors as may be required for the timely completion of this Contract. The addition of any Subcontractors requires that the Consultant first obtain the approval of the City.

In the event of subcontracting, the sole responsibility for fulfillment of all terms and conditions of this Contract rests with the Consultant.

The Consultant will pay its Subcontractors within 7 calendar days of receipt of each progress payment from the City. The Consultant will pay for the amount of the Work performed by each Subcontractor as accepted and approved by the City with each progress payment. In addition, any reduction of retention, if any, by the City will result in a corresponding reduction to Subcontractors who have performed satisfactory work. The Consultant will pay Subcontractors the reduced retention within 14 calendar days of the payment of the reduction of the retention to the Consultant. No Contract between the Consultant and its Subcontractors may materially alter the rights of any Subcontractor to receive prompt payment and retention reduction as provided in this Contract.

If the Consultant fails to make payments in accordance with these provisions, the City may take any of one or more of the following actions and the Consultant agrees that the City may take these actions:

- A. To hold the Consultant in default under this Contract;
- B. Withhold future payments including retention until proper payment has been made to Subcontractors in accordance with these provisions;
- C. Reject all future offers to perform work for the City from the Consultant for a period not to exceed 1 year from the completion date of this project; or
- D. Cancel this Contract.

#### **4.19 CHANGES IN THE WORK**

The City may at any time, as the need arises, order changes within the scope of the work without invalidating the contract. If any changes increase or decrease the amount due under the contract documents, or in the time required for performance of the work, an equitable adjustment will be authorized by written Change Order.

## **CHANGES IN THE WORK – CONT'D**

The City will execute a formal Change Order based on detailed written quotations from the Contractor for work related changes and/or a time of completion variance. All Change Orders are subject to approval by the City.

Contract Change Orders are subject to the Rules and Procedures within the City's Procurement Code.

### **4.20 CO-OP USE OF CONTRACT**

In addition to the City of Scottsdale, this Contract may be extended for use by other municipalities, government agencies and governing bodies, including the Arizona Board of Regents, and political subdivisions of the State. Any usage by other entities must be in accord with the ordinances, charter and/or rules and regulations of the respective entity and the approval of the Contractor.

### **4.21 COMPLIANCE WITH FEDERAL AND STATE LAWS**

The Consultant understands and acknowledges the applicability of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 to it. In addition, the Consultant understands and acknowledges the applicability of A.R.S. §34-301 and 34-302.

### **4.22 IMMIGRATION LAW COMPLIANCE**

Under the provisions of A.R.S. §41-4401, the Consultant warrants to the City that the Consultant and all its subcontractors will comply with all Federal Immigration laws and regulations that relate to their employees and that the Consultant and all its subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).

A breach of this warranty by the Consultant or any of its subcontractors will be considered a material breach of this Contract and may subject the Consultant or Subcontractor to penalties up to and including termination of this Contract or any subcontract. The Consultant will take appropriate steps to assure that all subcontractors comply with the requirements of the E-Verify Program. The Consultant's failure to assure compliance by all its' subcontractors with the E-Verify Program may be considered a material breach of this Contract by the City.

The City retains the legal right to inspect the papers of any employee of the Consultant or any subcontractor who works on this Contract to ensure that the Consultant or any subcontractor is complying with the warranty given above.

The City may conduct random verification of the employment records of the Consultant and any of its subcontractors to ensure compliance with this warranty. The Consultant agrees to indemnify, defend and hold the City harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

### **4.23 LAWFUL PRESENCE IN THE UNITED STATES FOR PERSONS**

A.R.S. §1-502 (H.B. 2008) requires that all PERSONS who will be awarded a contract and apply for public benefit must demonstrate through a signed affidavit and the presentation of a copy of documentation that verifies that they are lawfully present in the United States.

### **LAWFUL PRESENCE IN THE UNITED STATES FOR PERSONS – CONT'D**

A PERSON is defined as all NATURAL PERSONS / INDIVIDUALS / SOLE PROPRIETORSHIPS as indicated by your W9 Filing. *(This law does not apply to LLP's, LLC's, PLLC's, Corporations Limited Partnerships or General Partnerships)*

By submitting your quote, bid, proposal and/or indicating your desire to enter in a contract with the City you are agreeing that if you are selected as the awardee and meet the criteria of a PERSON you will abide by this law and sign and submit an AFFIDAVIT DEMONSTRATING LAWFUL PRESENCE IN THE UNITED STATES and attach the appropriate copy of your documentation to verify of that statement. Types of acceptable documentation copies are an Arizona Drivers License issued after 1996, Arizona nonoperating identification license, U.S. birth certificate, U.S. Passport, I-94 Form with photograph and several others that are all listed on the Affidavit form that the City will send to you for your completion before to issuing any contract.

If you have previously done business with the City and have already filed the above Affidavit with copies of an acceptable documentation please indicate when you filed the affidavit. If your approved Affidavit is already on file with the City, you have complied with this requirement.

If you fail to provide a completed Affidavit and accompanying copy of your acceptable documentation, or if you do not advise the City of your previous filing within 10 calendar days after receiving the City's request you may be considered non responsive and disqualified from that award consideration. You can obtain the complete Affidavit form from the City's Purchasing Department at (480) 312-5700 or the City's website at <http://www.scottsdaleaz.gov/vendors.asp> on the Vendor Resources page at the bottom right under Forms.

#### **4.24 CONTRACTS WITH SUDAN AND IRAN**

In accordance with A.R.S. §35-391.06 and 35-393.06, the contractor certifies that it does not have scrutinized business operations in Sudan or Iran, as defined in A.R.S. §35-391(15) and 35-393(12).

#### **4.25 INDEMNIFICATION**

To the fullest extent permitted by law, Consultant, its successors, assigns and guarantors, must defend, indemnify and hold harmless City of Scottsdale, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused in whole or part by Consultant relating to work or services in the performance of this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of Consultant's and Subcontractor's employees.

## **INDEMNIFICATION – CONT'D**

Insurance provisions stated in this Contract are separate and independent from the indemnity provisions of this section and must not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this section must not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

### **4.26 OWNERSHIP OF PROJECT DOCUMENTS**

All documents, including but not limited to notes, records, data compilations, studies, and reports in any format, including but not limited to, written or electronic media, prepared in the performance of this Contract will remain the property of the City and must be delivered to the Contract Administrator before final payment is made to the Consultant.

When the work detail covers only the preparation of preliminary reports or documents, there will be no limitations upon the City concerning use of the ideas or recommendations in the reports or documents. The City will release the Consultant from any liability for the preparation and use of preliminary reports or documents.

Any use of the project documents for purposes other than intended under this Contract will be at the sole risk of the City, and the Consultant will not be liable for any losses or injuries arising out of that use.

### **4.27 COMPLETENESS AND ACCURACY**

The Consultant will be responsible for the completeness and accuracy of work prepared by the Consultant and will correct, at its expense, all errors or omissions which may be disclosed. The cost to correct those errors will be chargeable to the Consultant. Additional work or construction added to the project will not be the responsibility of the Consultant unless the need for additional work or construction was created by any error, omission, or negligent act of the Consultant. The City's acceptance of the Consultant's work will not relieve the Consultant of any of its responsibilities. The professional standard to which the Consultant is held will be that of a similar Consultant as practiced in the State of Arizona.

### **4.28 ALTERATIONS OR ADDITIONS TO SCOPE OF SERVICES**

The total Scope of the Consulting Services to be performed is stated in this Contract. Any services requested outside the scope of work are additional services. The Consultant will not perform these additional services without a written Change Order approved by the City. If the Consultant performs additional services without a Change Order, the Consultant will not receive any additional compensation.

### **4.29 EQUAL EMPLOYMENT OPPORTUNITY**

The Consultant will comply with Executive Order No. 11245, entitled "Equal Employment Opportunity", as amended by Executive Order No. 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60). The Consultant will include the terms of this provision in all contracts and subcontracts for work performed under this Contract, including supervision and oversight.

#### **4.30 VALUATION OF CONSULTANT'S PERFORMANCE**

The Consultant will be evaluated regarding its performance of this Contract. This evaluation will include, but not be limited to, the following consideration for:

- Completeness
- Accuracy
- Technical Expertise
- Organization
- Working relationship with City staff and others
- Availability
- Communication skills (meetings, correspondence, etc.)

This evaluation will be prepared by the staff and used to evaluate the desirability to proceed with negotiations for additional services.

#### **4.31 THIRD PARTY BENEFICIARY**

Nothing under the Contract Documents will be construed to give any rights or benefits in the Contract Documents to anyone other than the City and the Consultant, and all duties and responsibilities undertaken in accordance with the Contract Documents will be for the sole and exclusive benefit of the City and the Consultant and not for the benefit of any other party.

#### **4.32 CONTRACTOR ON SITE SAFETY REPORTING REQUIREMENTS**

For any non-construction City supplier whose service contract(s) (either singular or in aggregate) results in the contractor working 500 or more hours on site at a City of Scottsdale location(s) in any one calendar quarter, the following documentation must be provided by the contractor to the Contract Administrator (CA):

- the contractor's most recent OSHA 300A (if applicable);
- all accident reports for injuries that occurred in the city under the contract during the most recent review period;
- the contractor's current worker's compensation experience modifier;
- the above information is to be provided to the CA initially and every February thereafter as long as the contract is in force;
- the CA will provide this information to Risk Management when requested.

#### **5.0 INSURANCE**

This contract contains the Standard Acord Certificate of Insurance.

Failure to provide a Certificate of Insurance with the appropriate verbiage as indicated, will result in rejection of your certificate and delay in contract execution.

**Additionally, Certificates of Insurance submitted without referencing an RFP and Contract number will be subject to rejection and returned or discarded.**

**INSURANCE – CONT'D**

**5.1 Insurance Representations and Requirements**

- 5.1.1 General:** Consultant agrees to comply with all applicable City ordinances and state and federal laws and regulations. Without limiting any obligations or liabilities of Consultant, Consultant must purchase and maintain, at its own expense, the stipulated minimum insurance with insurance companies duly licensed by the State of Arizona (admitted insurer) with an AM Best, Inc. rating of B ++ 6 or above or an equivalent qualified unlicensed insurer by the State of Arizona (non-admitted insurer) with policies and forms satisfactory to City of Scottsdale. Failure to maintain insurance as specified may result in termination of this Contract at City of Scottsdale's option.
- 5.1.2 No Representation of Coverage Adequacy:** By requiring insurance, City of Scottsdale does not represent that coverage and limits will be adequate to protect Consultant. City of Scottsdale reserves the right to review any and all of the insurance policies and/or endorsements cited in this Contract but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements stated in this contract or failure to identify any insurance deficiency will not relieve Consultant from, nor be construed or considered a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.
- 5.1.3 Coverage Term:** All insurance required by this Contract must be maintained in full force and effect until all work or services required to be performed under the terms of this contract are satisfactorily performed, completed and formally accepted by the City of Scottsdale, unless specified otherwise in this Contract.
- 5.1.4 Claims Made:** In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage must extend, either by keeping coverage in force or purchasing an extended reporting option, for 3 years past completion and acceptance of the work or services as evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required for the 3 year period.
- 5.1.5 Policy Deductibles and or Self Insured Retentions:** The policy requirements may provide coverage which contain deductibles or self insured retention amounts. These deductibles or self insured retention must not be applicable with respect to the policy limits provided to City of Scottsdale. Consultant is solely responsible for any deductible or self insured retention amount. City of Scottsdale, at its option, may require Consultant to secure payment of the deductible or self insured retention by a surety bond or irrevocable and unconditional Letter of Credit.
- 5.1.6 Use of Subcontractors:** If any work under this Contract is subcontracted in any way, Consultant must execute a written agreement with Subcontractor containing the same Indemnification Clause and Insurance Requirements as stated in this Contract protecting City of Scottsdale and Consultant. Consultant is responsible for executing the agreement with Subcontractor and obtaining Certificates of Insurance verifying the insurance requirements.

**Insurance Representations and Requirements – Cont'd**

**5.1.7 Evidence of Insurance:** Before starting any work or services under this Contract, Consultant must furnish City of Scottsdale with Certificate(s) of Insurance, or formal endorsements as required by this Contract, issued by Consultant's insurer(s) as evidence that policies are placed with acceptable insurers as specified in this Contract and provide the required coverage, conditions, and limits of coverage and that this coverage and the provisions are in full force and effect. If a Certificate of Insurance is submitted as verification of coverage, City of Scottsdale will reasonably rely upon the Certificate of Insurance as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this agreement. If any of the above cited policies expire during the life of this Contract, it is Consultant's responsibility to forward renewal Certificates within 10 days after the renewal date containing all the aforementioned insurance provisions. Certificates must specifically cite the following provisions:

1. City of Scottsdale, its agents, representatives, officers, directors, officials and employees must be named an Additional Insured under the following policies:
  - a) Commercial General Liability
  - b) Auto Liability
  - c) Excess Liability - Follow Form to underlying insurance as required.
2. Consultant's insurance must be primary insurance as respects performance of subject contract.
3. All policies, except Professional Liability insurance, if applicable, waive rights of recovery (subrogation) against City of Scottsdale, its agents, representatives, officers, directors, officials and employees for any claims arising out of work or services performed by Consultant under this Contract.
4. Certificate must cite 30 day advance notice of cancellation provision or 10 days notice of cancellation for non-payment of premiums.

**5.2 Required Coverage**

**5.2.1 Commercial General Liability:** Consultant must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence, \$1,000,000 Products and Completed Operations Annual Aggregate, and a \$1,000,000 General Aggregate Limit. The policy must cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this section, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying.

**5.2.2 Professional Liability:** If the Contract is the subject of any professional services or work, or if Consultant engages in any professional services or work adjunct or residual to performing the work under this Contract, Consultant must maintain Professional Liability insurance covering errors and omissions arising out of the work or services performed by Consultant, or anyone employed by Consultant, or anyone for whose acts, mistakes, errors and omissions Consultant is legally liable, with a liability insurance limit of \$1,000,000 each claim and \$1,000,000 all claims.



**Required Coverage – Cont'd**

- 5.2.3** Vehicle Liability: Consultant must maintain Business Automobile Liability insurance with a limit of \$500,000 each accident on Consultant's owned, hired, and non-owned vehicles assigned to or used in the performance of the Consultant's work or services under this Contract. If any hazardous material, as defined by any local, state or federal authority, is the subject, or transported, in the performance of this contract, an MCS 90 endorsement is required providing \$5,000,000 per occurrence limits of liability for bodily injury and property damage. If any Excess insurance is utilized to fulfill the requirements of this section, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying.
- 5.2.4** Workers Compensation Insurance: Consultant must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of work or services under this Contract and must also maintain Employers' Liability Insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee and \$500,000 disease policy limit.

**6.0 SEVERABILITY AND AUTHORITY**

**6.1 SEVERABILITY**

If any term or provision of this Contract is found to be illegal or unenforceable, then despite this illegality or unenforceability, this Contract will remain in full force and effect and the term or provision will be considered to be deleted.

**6.2 AUTHORITY**

Each party warrants and represents that it has full power and authority to enter into and perform this Contract, and that the person signing on behalf of each has been properly authorized and empowered to enter this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

**7.0 REQUEST FOR TAXPAYER I.D. NUMBER & CERTIFICATION I.R.S. W-9 FORM**

Before contract payment being made, an I.R.S. W-9 Form **must** be completed and submitted to the following address:

City of Scottsdale  
Accounts Payable Division  
7447 E. Indian School Rd.  
Scottsdale, AZ 85251

**REST OF PAGE INTENTIONALLY LEFT BLANK  
SEE NEXT PAGE FOR SIGNATURE**

The City of Scottsdale by its Mayor and City Clerk has subscribed their names this 17<sup>th</sup> day of May, 2011.

CITY OF SCOTTSDALE

By: \_\_\_\_\_  
W. J. "Jim" Lane, Mayor

ATTEST:

CONSULTANT:  
Scottsdale Treatment Institute, PLC,  
an Arizona corporation

By: \_\_\_\_\_  
Carolyn Jagger, City Clerk

By: \_\_\_\_\_  
Brian Butler  
President

CITY OF SCOTTSDALE REVIEW:

CITY CONTRACT ADMINISTRATOR

\_\_\_\_\_  
Bill Yazel  
Purchasing Director

By: \_\_\_\_\_  
Julie Dybas  
Deputy Court Administrator

\_\_\_\_\_  
Pauline Hecker  
Risk Management Director

\_\_\_\_\_  
B. Monte Morgan  
Presiding Judge

APPROVED AS TO FORM:

\_\_\_\_\_  
Bruce Washburn City Attorney  
By: Steven Bennett  
Deputy City Attorney

## COVERAGES

OVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

A. PROFESSIONAL LIABILITY		B. COMMERCIAL LIABILITY		C. PERSONAL LIABILITY	
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS					

\*Except 10 days for non-payment of premium. Verification of Insurance as their interest may appear.

City of Scottsdale, its representatives, agents and employees, is an Additional Insured under Commercial General Liability and Auto Liability. All cited insurance shall be primary coverage and waive rights of recovery (subrogation), against the City of Scottsdale. No policy shall be cancelled or materially changed without 30 days advance written notice. Certificate not valid by authorized representative of insurance company.  
Applicable Contract No.: 2010 / RFP No.: 11RFP005

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**Certificate of Insurance****Certificate Mailed To:**

CITY OF SCOTTSDALE  
9191 E SAN SALVADOR DR  
SCOTTSDALE AZ 85258

**Name of Insured:**

Scottsdale Treatment Institute  
PLC  
6991 E Camelback Rd  
Ste B-360  
Scottsdale AZ 85251

Date Issued: 10/18/2010  
Certificate Number: 15  
Policy Number: 402519  
Origin Date: 11/16/2005  
Expiration Date: 11/01/2011  
Liability Limits: 100/100/500  
(000 Omitted)

**Proof of Coverage**

CLINIC-REHAB-BEHAVIOR MODIFICATION  
@ 6991 E Camelback Rd  
Scottsdale AZ

**Job Number:****Location:**

It is agreed that waiver of subrogation is effective only as respects to the above Certificate Holder for the project described herein. This agreement shall not operate directly or indirectly to benefit any other person or organization.

Should the above policy be canceled by the SCF ARIZONA before the expiration date thereof, the SCF ARIZONA will endeavor to mail 30 days written notice to the above named Certificate Holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the SCF ARIZONA.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed hereon. This is to certify a workers' compensation policy has been issued to the insured listed hereon and is in force for the period referenced.

**Certificate Issued To:**

City of Scottsdale  
9191 E SAN SALVADOR DR  
Scottsdale AZ 85258

Authorized Representative